

Housing Revenue Account – Updated Business Plan Forecasts

Year:	Medium Term Financial Plan											
	1	2	3	4	5	6	7	8	9	10	11 - 20	21 - 30
	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/39	39/49
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net Rent	14,548	14,601	14,885	15,174	15,469	16,072	16,083	16,276	16,595	16,920	189,084	229,235
Other Income	399	399	399	399	399	406	414	422	429	437	4,850	5,847
Total Income	14,947	15,000	15,284	15,573	15,868	16,478	16,497	16,698	17,024	17,357	193,934	235,082
Supervision & Management	(3,167)	(2,618)	(2,677)	(2,737)	(2,797)	(2,853)	(2,910)	(2,968)	(3,028)	(3,088)	(34,490)	(42,043)
Responsive & Cyclical Repairs	(3,861)	(4,299)	(4,396)	(4,495)	(4,594)	(4,685)	(4,779)	(4,875)	(4,972)	(5,072)	(56,644)	(69,049)
Depreciation Charge	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(2,099)	(20,990)	(20,990)
Other Costs	(842)	(874)	(897)	(921)	(945)	(1,054)	(1,080)	(1,109)	(1,141)	(1,174)	(6,459)	(6,692)
Total Expenditure	(9,968)	(9,891)	(10,069)	(10,252)	(10,435)	(10,692)	(10,868)	(11,051)	(11,240)	(11,433)	(118,583)	(138,773)
Capital Charges	(2,925)	(2,798)	(2,804)	(2,834)	(2,810)	(2,810)	(2,755)	(2,719)	(2,683)	(2,646)	(24,467)	(20,837)
Net Operating Surplus / (Deficit)	2,054	2,311	2,412	2,488	2,623	2,976	2,874	2,928	3,102	3,278	50,883	75,471
RCCO	(1,934)	(3,178)	(2,296)	(3,058)	(666)	(2,500)	(2,590)	(2,682)	(2,908)	(2,758)	(38,896)	(62,537)
Interest	142	52	64	75	105	106	107	109	171	176	2,484	4,199
HRA Surplus / (Deficit) for year	262	(815)	180	(495)	2,062	583	391	355	365	696	14,472	17,133
Cumulative Surplus / (Deficit)	13,168	12,353	12,533	12,038	14,100	14,683	15,074	15,429	15,794	16,489	30,961	48,094

The HRA Business Plan presented in February 2019 highlighted a number of key issues and challenges going forward, for example: impact of the welfare reform, completion of the Financial Improvement Plan savings, understanding tenant priorities, considering the outcomes of estate regeneration reviews, prioritising decent homes standard failures, environmental considerations and development of new stock. The financial impact of which is not as yet included in the above forecasts.

An action plan was developed in order to respond to these issues, progression against this will be monitored and any financial impact will be adjusted for within the MTFP and HRA Business Plan going forward.